



CCM 2015 Testimony

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LABOR & PUBLIC EMPLOYEES COMMITTEE

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The Connecticut Conference of Municipalities (CCM) is Connecticut's statewide association of towns and cities and the voice of local government - your partners in governing Connecticut. Our members represent 156 towns and cities and over 95% of Connecticut's population. We appreciate the opportunity to testify on bills of interest to towns and cities.

HB 5871, "An Act Concerning Workers' Compensation Coverage and Emergency Services Personnel"

CCM opposes this bill as new, significantly costly unfunded state mandate on all towns and cities.

HB 5871 would mandate special workers' compensation benefits for municipal firefighters, police officers, constables and volunteer ambulance service members who suffer from "various types of cancer and other diseases." This proposal would establish an unprecedented, unjustified and unfunded state mandate that would dramatically expand the workers' compensation benefits system for all public safety employees. HB 5871 is unnecessary and fiscally irresponsible. Public safety employees are already eligible for — and currently receive — workers' compensation benefits for illnesses as long as workers demonstrate a basic causal link between an injury and the job.

The professions emergency services personnel have chosen involves personal risk and courage. Local officials have long supported these employees and their just compensation when injuries occur on duty and as a result of their work. In fact, there are already recently enacted, reasonable benefits for specific cardiac emergencies while on duty. However, expanding special mandated benefits as proposed in HB 5871 would simply be unreasonable and unaffordable.

Fiscal Impact:

HB 5871 would fundamentally turn the workers' compensation system on its head by disregarding the system's core principle of requiring proof of a causal link between an injury and the job. By doing so, it is reasonable to expect that these mandates would increase the number of claims filed – based on the fact that filing a claim would increase the probability of an award – because the burden of proof would have shifted to the employer to refute any claim. The fiscal ramifications of this likelihood would impose a significantly negative impact on all 169 municipal budgets.

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The negative fiscal impact of such mandated special benefits, as proposed in HB 5871, have been identified each year that special interest groups have lobbied for them. The Office of Fiscal Analysis (OFA) – the Legislature's non-partisan analysts – has concluded year after year:

- With respect to heart disease, proposals such as HB 5871 would resurrect the H&H mandate and by doing so, ignore critical determining factors such as family medical history, lifestyle habits (e.g. smoking), and diet, which all play major roles in the health and well-being of any person, regardless of their profession. The costs of such claims are significant as "a single cardiac claim may have a total incurred value of \$500,000 \$1 million."
- "Other disease" claims would be just as expensive and drain local taxpayer dollars forcing towns and cities to pay for costly claims. "A single hepatitis claim can have a total incurred value exceeding \$500,000. Certain strands of tuberculosis can have medical costs up to \$250,000; in addition there would be indemnity benefit costs." ²
- With respect to cancer claims, proposals such as HB 5871 would have the most widespread potential to negatively impact local budgets, as it would mandate that all public safety employees be entitled to benefits if they acquire certain cancers, by automatically presuming they have sustained such cancer in the course of employment. "Costs associated with providing medical care, lost wages and other indemnity benefits would be significantly higher than other categories of claims within the workers' compensation system. A single cancer claim may exceed \$1 million over the life of the claim." 3

From layoffs to accessing reserve accounts – local officials are in the trenches when it comes to making tough decisions in these difficult economic times. And, with this backdrop of fiscal peril – you have before you – a proposed, new unfunded state mandate. Simply stated, HB 5871 is the opposite of property tax relief.

Local officials oppose state-mandated special benefits that presume certain illnesses are directly related to job activities, without requiring that the injured employees show any correlation. The existing workers' compensation system is fair and the appropriate mechanism to address such claims. Again, if there is a link between the illness and the job—the current workers' compensation system provides coverage.

CCM urges the Committee to <u>oppose HB 5871</u>, now – in Committee. Connecticut's municipal officials need action on state budget solutions and relief from existing unfunded state mandates – not new ones.



If you have any questions, please contact Bob Labanara, State Relations Manager, CCM at <u>rlabanara@ccm-ct.org</u> or (203) 498-3023.

¹ OFA Fiscal Note No. 302, HB 5629, 2008

² Ibid

³ OFA Fiscal Note No. 101, HB 6194, 2009